CANADA - PRINCE EDWARD ISLAND
Crop Insurance

ANNUAL REPORT
1984-85

PRINCE EDWARD ISLAND
CROP INSURANCE AGENCY

Agriculture Canada
Government of Prince Edward Island

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PHONE 892-4101

PRINCE EDWARD ISLAND

CROP INSURANCE AGENCY

The Honourable Prowse Chappell
Minister of Agriculture
Dept. of Agriculture
P.O. Box 2000
Charlottetown
Province of Prince Edward Island

Dear Sir:

I have the honour of submitting herewith the Annual Report of the Canada-Prince Island Crop Insurance Agency.

This report includes a brief summary of operations and the audited Financial Statements for the fiscal year ending March 31st, 1985.

Respectfully Submitted,

R.B. McInnis

Ronald B. McInnis
Manager
Prince Edward Island
Crop Insurance Agency

1984-85 ANNUAL REPORT

OF

THE CROP INSURANCE AGENCY OF P.E.I.

FOR THE FISCAL YEAR ENDING MARCH 31, 1985

BOARD MEMBERS

Edward Fitzpatrick	-	Chairman
Raynall MacNeill	-	Secretary
George Walsh	-	Member
Fred McCardle	-	Member
John Kanters	-	Member

OFFICE STAFF

Ronald B. McInnis	-	Manager
Jean Morrison	-	Accountant
Gloria Dalziel	-	Secretary
Scott MacPhail	-	Technician

FIELD STAFF

Holland Cahill	-	Tignish
Clarence Ross	-	Bonshaw
John Fitzpatrick	-	Sherwood

The Prince Edward Island Crop Insurance Agency is a Crown Corporation of the Province of Prince Edward Island under the authority of the Minister of Agriculture.

OBJECTIVES OF THE AGENCY

(a) The objectives of the Agency are to make available to Prince Edward Island Farmers, a comprehensive all-risk Crop Insurance Plan, which in years of crop losses will return to the farmer his cost of production.

(b) Offer protection against crop loss caused by all natural hazards from date of seeding to the final harvest date.

RESPONSIBILITIES

1. Administration of the Crop Insurance Act.
2. Administration of Crop Insurance Plans, established by regulations. including the function of selling, underwriting, claims adjusting and accounting.
3. Conducting surveys and research programs relating to Crop Insurance.
4. Train staff to maintain a high degree of efficiency of operation.

FINANCIAL PARTICIPATION

The Government of Canada provides financial assistance to the Canada-Prince Edward Island Crop Insurance Program by contributing fifty percent of the total premium required each year. The Federal Government's contrbution to this program totalled $1,139,948.00 for 1984-85.

The Government of Prince Edward Island contributes all of the administration costs, totalling approximately $187,069.00 for the year 1984-85.

P.E.I. CROP INSURANCE PROGRAMS FOR 1985

PLANS AVAILABLE	COVERAGE AVAILABLE	UNIT PRICE	PREMIUM
1. Potatoes	75%	3¢, 3.5¢, 4¢, 4.5¢ per pound	10.00%
2. Spring Grains	75%	5¢, 6¢, 7¢, per pound	10.00%
3. Field Peas	75%	5¢, 6¢, 7¢ per pound	10.00%
4. Corn	75%	$12.00 per ton	10.00%
5. Tobacco	80%	90% of last two years average	5.60%
6. Cole Crops	80%	90% of last two years average	12.00%
7. Processing Peas	$264.00	per acre	$31.68 per acre
8. Cabbage	70%	$2.50 per bushel	9.50%
9. Rutabagas	80%	$1.15 per bushel	12.80%
10. Strawberries	up to $1400.00	per acre	8.60%
11. Winter Grains	75%	7¢ per pound	10.00%
12. Soybeans	75%	9¢ per pound	10.00%

1984 CROP SUMMARY

CROPS	CONTRACTS	ACRES	PREMIUM	COVERAGE
POTATOES	427	24,744	1,743,835	15,682,405
GRAIN	180	14,231	131,965	1,374,930
TOBACCO	61	3,441	355,952	6,785,170
CORN	4	72	956	9,558
RUTABAGAS	29	161	9,631	66,624
COLE CROPS*	33	239	20,603	178,926
STRAWBERRIES	8	50	3,832	42,300
PROCESSING PEAS	5	428	13,559	112,992
TOTAL	747	43,366	2,280,333	24,252,905

* Broccoli
Brussel Sprouts
Cauliflower
Cabbage

AUDITOR GENERAL

CHARLOTTETOWN

PRINCE EDWARD ISLAND

PRINCE EDWARD ISLAND CROP INSURANCE AGENCY

FINANCIAL STATEMENTS

MARCH 31, 1985

AUDITOR GENERAL

CHARLOTTETOWN

PRINCE EDWARD ISLAND

AUDITOR'S REPORT

To the Board of Directors of the
Prince Edward Island Crop Insurance Agency

I have examined the balance sheet of the Prince Edward Island Crop Insurance Agency as at March 31, 1985 and the statement of income for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Agency as at March 31, 1985 and the results of its operations for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

T. Kaptein, C.A.
Auditor General

Charlottetown, Prince Edward Island
May 3, 1985

STATEMENT 1

PRINCE EDWARD ISLAND CROP INSURANCE AGENCY

BALANCE SHEET

MARCH 31, 1985

(with comparative figures at March 31, 1984)

ASSETS

	1985	1984
Current Assets		
Cash	$ 93,231	$ 66,744
Accounts Receivable	-	4,941
Interest Receivable	52,397	124,674
Deposit Receipts - Province of P.E.I.	800,000	1,210,000
	$ 945,628	$1,406,359

LIABILITIES AND RETAINED EARNINGS

Current Liabilities		
Accounts Payable	$ 23,358	$ 2,320
Indemnities Payable - Note 1	149,629	85,802
Deferred Revenue	34,412	3,832
	207,399	91,954
Retained Earnings		
Balance, Beginning of Year	1,314,405	462,878
Income (Loss) for the Year	(576,176)	851,527
Balance, End of Year	738,229	1,314,405
	$ 945,628	$1,406,359

(Notes 1 to 3 are an integral part of these financial statements)

ON BEHALF OF THE BOARD:

DIRECTOR: Edward J. A. Gallant

DIRECTOR: Lawrence MacEwen

PRINCE EDWARD ISLAND CROP INSURANCE AGENCY

STATEMENT OF INCOME

FOR THE YEAR ENDED MARCH 31, 1985

(with comparative figures for the year ended March 31, 1984)

	1985	1984
Income		
Insurance Premiums	$1,140,166	$1,134,582
Federal Contributions - Note 2	1,139,948	1,133,489
Provincial Appropriation - Note 3	187,069	202,567
Interest	202,586	138,922
	2,669,769	2,609,560
Expenses		
Indemnities - Schedule 1	3,058,876	1,555,466
Administrative Expenses - Note 3	187,069	202,567
	3,245,945	1,758,033
Income (Loss) for the Year	$ (576,176)	$ 851,527

(Notes 1 to 3 are an integral part of these financial statements)

SCHEDULE 1

PRINCE EDWARD ISLAND CROP INSURANCE AGENCY

SCHEDULE OF PREMIUMS AND INDEMNITIES BY PROGRAM

AS AT MARCH 31, 1985

	Excess Premiums (Indemnities) Beginning	Premiums	Indemnities	Excess Premiums (Indemnities) Ending
Potatoes	$ (172,386)	$1,743,668	$2,677,358	$(1,106,076)
Tobacco	1,078,666	355,918	68,859	1,365,725
Grain	202,644	131,953	203,266	131,331
Cole Crops	(194,736)	20,601	97,578	(271,713)
Rutabagas	(7,540)	9,630	11,815	(9,725)
Processing Peas	80,058	13,558	-	93,616
Corn	(3,006)	955	-	(2,051)
Other	(1,126)	3,831	-	2,705
	$ 982,574	$2,280,114	$3,058,876	$ 203,812
			Other Retained Earnings	534,417
			Retained Earnings	$ 738,229

PRINCE EDWARD ISLAND CROP INSURANCE AGENCY

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 1985

1. Appeal Board

By Order-In-Council No. EC220/80 dated March 13, 1980 an Appeal Board was established pursuant to Section 24 of the Crop Insurance Act Regulations. As of June 13, 1985 four appeals totalling $93,016 have been granted by the Appeal Board affecting the fiscal year ended March 31, 1985.

2. Federal Contributions

The Government of Canada contributes amounts on a quarterly basis to match the premium income paid by insured farmers.

3. Provincial Appropriation - Administrative Expenses

The Administrative Expenses were appropriated by the Province of Prince Edward Island and paid through the Department of Agriculture on behalf of the Crop Insurance Agency.

Administrative Expenses	1985	1984
Salaries	$161,565	$174,040
Travel	20,688	19,636
Supplies and Administration	1,936	4,901
Fees - Board Members	2,880	3,990
	$187,069	$202,567